

# Industry Employment Projections

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## 2016-2018

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# Industry Projections Methodology: Estimation Process

- Projections are based on past industry employment trends and are refined by a review of current economic developments
- Short-term projections estimate employment from Quarter 3 2016 to Quarter 2 2018
- Quarterly Census of Employment and Wages (QCEW) data was used as the principal data source
- The industry classification structure differs slightly from CES industry classification
  - Notably: State and local government education employment is categorized in NAICS 611: Educational Services

# Industry Projections Methodology:

## Data Used

- Industry Projections Estimates **Include**:
  - Nonfarm employment by subsector group (3-digit NAICS)
  - Self-employed workers who work for profit or fees in their own business, profession, trade, or farm
  - Private household workers employed as domestic workers whose primary activities are to maintain the household
  - Railway and religious organization employees
- Industry Projections Estimates **Exclude**:
  - Farm employment in establishments engaged in growing crops, raising animals, harvesting fish and other animals from a farm, ranch, or natural habitats

# Industry Projections Methodology: Economic Assumptions

- The institutional framework of the U.S. economy will not change radically
- Recent technological and scientific trends will continue
- The long-term employment patterns will continue in most industries
- Federal, state, and local government agencies are expected to operate under budgetary constraints
- No major events will occur that will significantly alter the industrial structure of the economy, the occupational staffing patterns, or the rate of long-term growth
- Population growth rates and age distributions will not differ significantly from the US Census Bureau presently available
- Attitudes toward work, education, income, and leisure will not change significantly

## Highlights

- 138,553 jobs are projected to be gained over the two-year period (2.4%)
- Ten supersectors are projected to add jobs over the two-year period
  - Natural Resources and Mining is projected to have losses over the two-year period
- Educational and Health Services is expected to add the largest number of jobs (38,757) over the two-year period or 3.3% annualized growth.
- Construction is expected to have the largest percentage gain at 3.9% annualized growth (10,943 jobs)
- Sectors with the largest expected gains are: Educational and Health Services (38,757 jobs), Professional and Business Services (27,852 jobs), Leisure and Hospitality (19,018 jobs), Trade, Transportation and Utilities (15,925 jobs), and Construction (10,943 jobs).

## Arizona Sector Employment

### Annualized Growth Rate

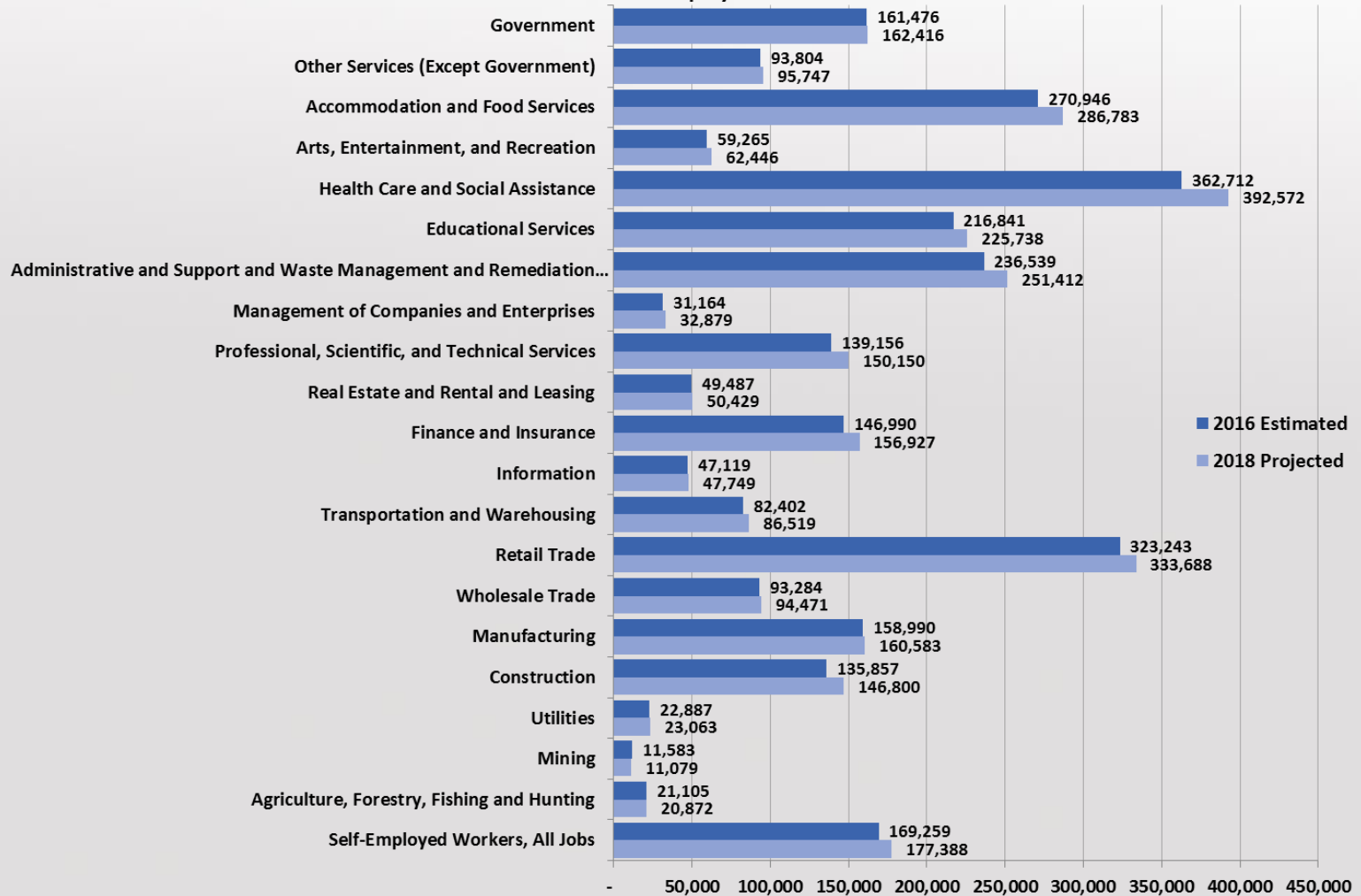
	2014 Q2- 2016 Q2(a)	2016 Q2- 2018Q2(b)
Construction	3.0%	3.9%
Professional and Business Services	3.5%	3.3%
Education and Health Services	2.7%	3.3%
Leisure and Hospitality	3.4%	2.8%
Financial Activities	4.0%	2.7%
<b>Total All Industries</b>	<b>2.7%</b>	<b>2.4%</b>
Trade, Transportation and Utilities	2.1%	1.5%
Other Services (Except Government)	2.7%	1.0%
Information	2.5%	0.7%
Manufacturing	0.7%	0.5%
Government	0.3%	0.3%
Natural Resources and Mining	-1.4%	-1.1%

a) Historical

b) Forecast

## Arizona Major Industry Groups

2016 & 2018 Employment Share



## Top 25 Arizona Detailed Industries

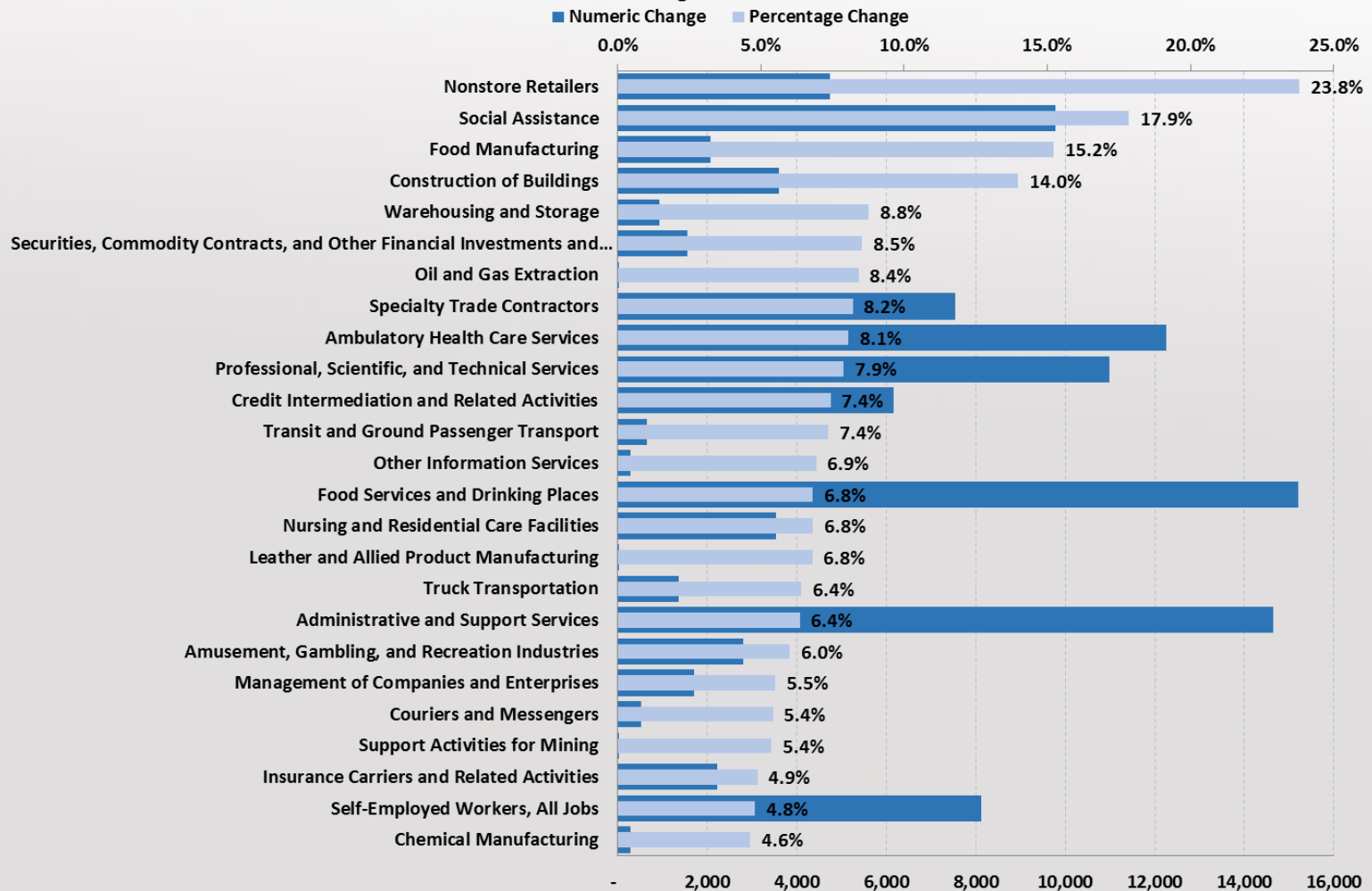
2016 - 2018 Largest Employment Change





## Top 25 Arizona Detailed Industries

2016 - 2018 Largest Growth Rates



## Total Employment by Substate Area

### Annualized Growth Rate

	2014 Q2 - 2016 Q2(a)		2016 Q2 - 2018Q2(b)	
	Numeric Change	Percentage Change	Numeric Change	Percentage Change
Arizona	137,189	2.60%	138,553	2.40%
Phoenix MSA <sub>1</sub>	117,337	2.90%	115,258	2.80%
Tucson MSA <sub>2</sub>	4,772	0.70%	10,068	1.31%
Balance of State <sub>3</sub>	15,080	1.80%	12,813	1.53%

1) Maricopa and Pinal Counties

2) Pima County

3) Arizona less Maricopa, Pinal and Pima counties

a) Historical

b) Forecast

## Industry Employment Projections by Substate Area Annualized Growth Rate

